

2024 Jan-29 PM 05:14

U.S. DISTRICT COURT
N.D. OF ALABAMA

FILED

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPIDEC - 6 2023
DAVID CREWS, CLERK
Deputy

UNITED STATES OF AMERICA

v.

CRIMINAL CASE NO. 1:23-CR-151
18 U.S.C. § 641
18 U.S.C. § 1343

MISTY BURGESS

INDICTMENT

The Grand Jury charges that:

COUNT ONE

(Theft of Government Funds)

1. On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security ("CARES") Act with the intent of providing expanded unemployment ("UI") benefits to workers who were unable to work as a direct result of the COVID-19 pandemic. The expanded UI benefits required the Department of Labor Employment and Training Administration ("ETA") to implement major changes to the existing UI systems administered through a federal state partnership with state workforce agencies. Mississippi Department of Employment Security ("MDES") is the state workforce agency in Mississippi.

2. These new programs implemented by ETA and MDES included federally funded Pandemic Unemployment Assistance ("PUA"), Federal Pandemic Unemployment Compensation ("FPUC"), and Lost Wage Assistance ("LWA").

3. Misty Burgess, an adult resident of Plantersville, Lee County, Mississippi, gained access to the personal identifying information of her sister, C.J.

4. On or about May 26, 2020, Misty Burgess, without the knowledge or permission of C.J., submitted an application for unemployment benefits in C.J.'s name. The unemployment benefits would be funded by federal government funds through the programs related to the CARES Act.

5. Misty Burgess, received approximately \$15,604.00 of fraudulent unemployment benefits in C.J.'s name in the form of deposits onto a Mastercard debit card ("Way2Go Card") administered through the MDES.

6. From on or about June 1, 2020, through on or about September 28, 2020, in the Northern Judicial District of Mississippi, Misty Burgess, did knowingly and intentionally steal and convert to her own use without authority, money, which was the property of the United States with a value in excess of \$1,000; that is, Misty Burgess, filed a fraudulent unemployment claim and received fraudulent unemployment benefits in C.J.'s name to which she was not entitled in violation of Title 18, United States Code, Section 641.

COUNT TWO

(Wire Fraud)

7. The allegations contained in paragraphs 1 through 6 are re-alleged and incorporated herein.

8. All records submitted to and maintained in the MDES UI databases since August 30, 2017, result in wire communications in interstate commerce. Those records are transmitted to and from inside the state of Mississippi to other states where cloud servers are located. Those records include initial applications, weekly certifications, and all correspondence with applicants. All records submitted to and maintained by the MDES UI program have been cloud based since August 30, 2017.

9. Conduent Inc. was contracted with MDES and other state workforce agencies to provide debit card services. MDES debit MasterCard, also known as EPPICards, issued under contract with Conduent are the default method of payment for MDES UI claims unless a claimant signs up for direct deposit. All MDES issued debit card transactions result in an interstate wire communication. Debit card transactions through Conduent cause electronic data to cross state lines. Transactional data for card usage was sent from the cardholder's merchant location to MasterCard and to Conduent's servers in multiple locations and then back to MasterCard and then the merchant's point of sale. The storage and usage of that information was also accessed in multiple states and locales.

10. From on or about June 1, 2020, through on or about September 28, 2020, in the Northern Judicial District of Mississippi, the defendant, Misty Burgess, did knowingly and intentionally commit Wire Fraud, that is, she devised a scheme or artifice to defraud and to obtain money from MDES and the United States by means of materially false and fraudulent pretenses, representations, or promises, and for the purpose of executing the scheme, did transmit or cause to be transmitted by means of wire or radio communications in interstate commerce, any writings, signals or sounds.

MANNER AND MEAN OF THE SCHEME

11. It was part of the scheme and artifice to defraud that on or about May 26, 2020, defendant Misty Burgess, without the knowledge or permission of C.J., submitted an online application for UI benefits through the CARES Act to the MDES for C.J., who was in the custody of the Mississippi Department of Corrections ("MDOC") when her application was submitted. C.J. was ineligible for UI benefits as an MDOC inmate.

12. In furtherance of the scheme and in order to accomplish its purpose, defendant, Misty Burgess, provided her residence in Plantersville, Mississippi, as the residence on the application to the MDES for UI benefits.

13. UI benefits were disbursed via a Way2Go debit card as follows:

Date	Amount	Type of UI Funds
June 1, 2020	\$954.00 (9 distributions of back payments of \$106 each)	Pandemic Unemployment Assistance (PUA)
June 1, 2020	\$600.00	Federal Pandemic Unemployment Compensation (FPUC)
June 2, 2020	\$742.00 (7 distributions of back payments of \$106 each)	PUA
June 2, 2020	\$4,200.00 (7 distributions of back payments of \$600 each)	FPUC
June 8, 2020	\$212.00	PUA
June 8, 2020	\$1,200.00	FPUC
June 15, 2020	\$106.00	PUA
June 15, 2020	\$600.00	FPUC
June 23, 2020	\$106.00	PUA
June 23, 2020	\$600.00	FPUC
June 29, 2020	\$106.00	PUA
June 29, 2020	\$600.00	FPUC
July 7, 2020	\$106.00	PUA
July 7, 2020	\$600.00	FPUC
July 13, 2020	\$106.00	PUA
July 13, 2020	\$600.00	FPUC
July 21, 2020	\$106.00	PUA
July 21, 2020	\$600.00	FPUC
July 27, 2020	\$106.00	PUA
July 27, 2020	\$600.00	FPUC
August 4, 2020	\$106.00	PUA
August 10, 2020	\$106.00	PUA
August 17, 2020	\$106.00	PUA
August 25, 2020	\$106.00	PUA
September 1, 2020	\$106.00	PUA
September 8, 2020	\$106.00	PUA
September 11, 2020	\$300.00	FPUC
September 14, 2020	\$600.00	FPUC

September 14, 2020	\$600.00	FPUC
September 15, 2020	\$106.00	PUA
September 17, 2020	\$300.00	FPUC
September 22, 2020	\$106.00	PUA
September 28, 2020	\$106.00	PUA
Total: \$15,604.00		

14. In furtherance of the scheme, and in order to accomplish its purpose, defendant, Misty Burgess, conducted transactions and withdrew the UI benefits from stores and ATMs in and around the Northern Judicial District of Mississippi. For example, some of those transactions took place at the Dollar General (Nettleton, Mississippi), the PAI ISO (Plantersville, Mississippi), Hobby Lobby (Tupelo, Mississippi), Kohl's (Tupelo, Mississippi), Academy Sports (Tupelo, Mississippi), Citi-Trends (Tupelo, Mississippi), and Jiffy Lube (Tupelo, Mississippi).

15. The materially false and fraudulent pretenses, representations, and promises made by Misty Burgess induced MDES and the United States to direct deposit payments totaling approximately \$15,604.00, all in violation of Title 18, United States Code, Section 1343.

USE OF THE WIRE

16. On or about June 2, 2020, in the Northern District of Mississippi, Misty Burgess, defendant, for the purpose of executing and attempting to execute part of the aforesaid scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, a writing, sign, and signal; to wit, a \$4,200.00 FPUC payment for unemployment benefits to her sister, C.J., with Misty Burgess knowing that C.J. was not entitled to those benefits because at that time C.J. was an inmate in MDOC custody. Misty Burgess, by false and fraudulent pretenses, representations, or promises, and for the purpose of executing the scheme, did receive

those funds on a Way2Go Card issued by MDES in C.J.'s name and did convert those funds to her own use.

All in violation of Title 18, United States Code, Section 1343.

A TRUE BILL:


CLAY JOYNER
UNITED STATES ATTORNEY

/s/ signature redacted
FOREPERSON